

Mineral Industry Surveys

For information, contact:

Donald W. Olson, Abrasives Commodity Specialist
U.S. Geological Survey
983 National Center
Reston, VA 20192
Telephone: (703) 648-7721, Fax: (703) 648-7975
E-mail: dolson@usgs.gov

Nicholas A. Muniz (Data)
Telephone: (703) 648-7980
Fax: (703) 648-7975
E-mail: nmuniz@usgs.gov

Internet: <http://minerals.usgs.gov/minerals>

MANUFACTURED ABRASIVES IN THE SECOND QUARTER 2006

The U.S. Geological Survey (USGS) collects quarterly data on manufactured abrasives through its survey of producers. Manufactured abrasives included in this report are fused aluminum oxide, silicon carbide, and metallic abrasives. Where indicated, Canadian and United States data are combined to protect proprietary information. Except where noted, the quantities cited in this report are in metric units. All unit value calculations in this report are based on unrounded data.

Fused Aluminum Oxide

The total production during the second quarter of 2006 was estimated to be 5,000 metric tons (t) of regular-grade crude fused aluminum oxide with an estimated value of \$1.5 million. Only one company, which operates one plant in Canada, produced fused aluminum oxide. This total production figure has been rounded to the nearest 5,000 t to avoid disclosing proprietary data.

According to the U.S. Census Bureau, U.S. imports of crude fused aluminum oxide for 2006 through the month of May were 47,200 t valued at \$16.6 million, or an average of \$353 per ton. About 71% of the imports came from China, 18% from Venezuela, 5% from France, 5% from Canada, and 1% from other countries. Imports of crude fused aluminum oxide from China may not all be abrasive-quality material.

U.S. imports of refined and ground fused aluminum oxide for 2006 through the month of May were 17,000 t valued at \$20.7 million, or an average of \$1,220 per ton.

U.S. exports of fused aluminum oxide for 2006 through the month of May were 6,250 t. The exports were valued at \$16.6 million, or \$2,650 per ton. Canada received 33% of the exports that were shipped; Germany 25%, Mexico 12%, Japan 11%, Korea 6%, the United Kingdom 5%, and others 8%.

The Department of Defense stores fused aluminum oxide in the National Defense Stockpile (NDS), but all of the NDS aluminum oxide has been authorized by law for disposal. During the second quarter of 2006, the Department of Defense held one sale of fused aluminum oxide abrasive grain. The sale totaled 1,176 t with a value of \$0.46 million. NDS reported that 4,601 t of fused aluminum oxide abrasive grain with an estimated value of \$1.6 million remained in the stockpile. The

NDS has sold all of the crude fused aluminum oxide in the stockpile (Janet Rollins, Defense National Stockpile Center, oral commun., August 23, 2006). No further stockpiling of crude fused aluminum oxide by the Department of Defense is anticipated. If the current authorized disposal rate and NDS sales schedules are continued, all of the stockpiled fused aluminum oxide abrasive grain could be sold by the end of 2007.

Silicon Carbide

Abrasive-grade silicon carbide is produced by one company in the United States. The total production during the second quarter of 2006 was estimated to be 10,000 t of abrasive-grade silicon carbide with an estimated value of \$4.9 million. This total production figure has been rounded to the nearest 5,000 t to avoid disclosing proprietary data.

Total U.S. imports of crude silicon carbide for 2006 through the month of May were 64,800 t valued at \$32.8 million; imports from China alone were 54,900 t valued at \$26.5 million. The average price of imported crude silicon carbide, excluding Chinese crude, was \$628 per ton; the average price of Chinese crude was \$484 per ton. U.S. imports of refined and ground silicon carbide for the same period were 13,900 t valued at \$18.6 million, or an average of \$1,342 per ton. During the period, China accounted for 85% of the crude material and 28% of the refined and ground material.

U.S. exports of crude silicon carbide for 2006 through the month of May were reported to be 3,090 t with a value of \$4.08 million. Exports of refined and ground silicon carbide were 5,150 t valued at \$6.48 million. About 98% of the crude material was shipped to, in decreasing order, Norway, Indonesia, Mexico, Finland, and Germany. About 98% of the refined material went to, in decreasing order, Canada, Norway, Mexico, Germany, and Japan.

The NDS has sold all of the silicon carbide in the stockpile. No further stockpiling is anticipated.

Metallic Abrasives

Metallic abrasives information was collected from 12 companies operating 13 U.S. plants. During the second quarter

of 2006, five companies produced 45,600 t of steel shot and grit, a 11% decrease, compared with the same period in 2005. At least one of the companies produced shot and grit from reclaimed material. Total second quarter 2006 production was valued at \$21.5 million, or an average of \$471 per ton. Total production for 2006 through the month of June was 100,000 t valued at \$46.5 million. Total annual production in 2005 was 207,000 t valued at \$94.4 million; 2004 production was 193,000 t valued at \$87.8 million; 2003 production was 192,000 t valued at \$86.2 million.

Shipments of steel shot and grit in the second quarter of 2006 were 49,300 t valued at \$24.9 million, or an average of \$505 per ton, compared with shipments during the second quarter of

2005, which were 55,600 t valued at \$26.9 million, or an average of \$484 per ton.

During the second quarter, seven companies produced 611 t of other types of metallic shot and grit (primarily cut wire shot) valued at \$2.31 million.

Imports of all types of metallic shot and grit for 2006 through the month of May were 8,320 t valued at \$6.10 million for an average of \$732 per ton. Canada was the largest supplier, accounting for 67% of the tonnage imported.

Exports of all types of metallic abrasives for 2006 through the month of May were 10,600 t valued at \$9.33 million, or an average of \$883 per ton. Shipments to Mexico accounted for 41.2% of the exports; an additional 41% was shipped to Canada.

TABLE 1
MANUFACTURED ABRASIVES¹

(Metric tons, unless otherwise specified)

Source and product	2005						2006			
	Second quarter		Third quarter		Fourth quarter		First quarter		Second quarter	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
		(thousands)		(thousands)		(thousands)		(thousands)		(thousands)
United States and Canada, production: ²										
Silicon carbide ³	10,000	\$4,900	10,000	\$4,900	10,000	\$4,900	10,000	\$4,900	10,000	\$4,900
Crude aluminum oxide, regular-grade	5,000	1,500	5,000	1,500	5,000	1,500	5,000	1,500	5,000	1,500
United States, production:										
Steel shot and grit	51,000	23,400	52,500	23,800	50,300	22,900	54,700	25,000	45,600	21,500
Other shot and grit ^{e, 4}	609	2,230	539	1,830	517	1,640	640	1,890	611	2,310
Total	51,600	25,600	53,100	25,600	50,800	24,500	55,400	26,900	46,200	23,800
United States, shipments:										
Steel shot and grit	55,600	26,900	57,000	27,300	55,200	26,600	57,900	28,100	49,300	24,900
Other shot and grit ^{e, 4}	583	2,090	523	1,870	559	1,910	610	2,180	647	2,610
Total	56,200	29,000	57,500	29,200	55,800	28,500	58,600	30,300	49,900	27,500

^eEstimated.

¹Data are rounded to no more than three significant digits; may not add to totals shown.

²Quantities are rounded to the nearest 5,000 tons to avoid disclosing proprietary data; values are estimated.

³Includes materials for metallurgical uses and other applications.

⁴Includes cut wire shot and reclaimed shot and grit from primary producers.